

## Questions and Answers – RFP for PACT Payment Processing

February 5, 2010

1. Is a WORD version of the RFP available?

A WORD version attached.

2. What time is the mail available for pick up at the Birmingham Post Office and what time is it currently picked up?

A –9:00 a.m.

3. Under Minimum Qualifications (page 3) item 1 requires the Respondent to physically pick up the mail from post office box daily. Would the state consider a provider who would physically receive the mail and process the payments electronically, by utilizing image technology?

A – PACT's intention is that we not change the post office box number. If you can propose a process that uses the same post office box number, please do so.

4. Under Minimum Qualifications (page 3) item 2 requires the Respondent to be a respondent or savings association. Would the State consider a non respondent or savings association?

A – The Respondent must be a bank or savings association.

5. What is the largest total ACH file that you might need to originate at any give time, the average transaction amount and the frequency of those files?

Date	ACH Data-File Total	Number of accounts
01/30/09	\$390,132.33	1640
04/30/09	\$348,172.33	1505
07/31/09	\$316,841.33	1365
10/30/09	\$299,490.33	1299
Average	\$338,659.08	1452
Frequency - monthly		

6. What is the average number of returned ach transactions and the average dollar amount?

A – Jan – 10; Feb – 30; Mar – 16; April – 22; May – 10; June – 13; July – 9; Aug – 8; Sept – 11; Oct – 10; Nov – 12; Dec – 4. This is a total of 155 with an average of 13 per month. They range from \$76 to \$434.

7. If selected, will the average balance of \$4,856 remain on deposit with our bank until distributed or will those funds be transferred to a primary bank – to determine the collateralization need under the SAFE program.

A – The balance will fluctuate but remain on deposit.

8. How many of the ACH items are PACT initiated debits and how many are PACT initiated credits?

A. All are debits.

9. How often will PACT send an ACH debit or ACH credit file?

A -Once each month on the first business day of the month.

10. Regarding ACH, are credit transactions to correct errors? If not, who are the ACH credits to?

A -Currently, ACH returns are emailed to the Records Administrator who credits the PACT account and forwards the information to PACT.

11. Does PACT receive individual ACH credits directly to the account? If so, how many?

A -No

12. For most public fund accounts, the interest rate for accounts is set by the bank. This rate changes based on the fluctuations of the market. How will rates be negotiated?

A. This would be discussed for the most optimal rate for Treasury for overnight investing.

13. How are the funds distributed to the Universities? ACH credits? If so, how many and how often? Wires? If so, how many? Checks? If so, how many?

A. – Currently, all payments to the universities are made on state warrants and handled through the Treasury. If you propose ACH credits, please provide pricing and operational information.

14. How are withdrawals made to "transfer to Treasury for tuition payments?

A. Currently we send an account to account transfer request by fax. The PACT account is debited and the Treasury account credited. .

15. How many if any checks are written on the account?

- Volume of ACH returns?

- Volume of ACH notification of change?

A. – This is not a check writing account – it is used for the receipt of payments.

16. Would wires be initiated online or manually? What is the method if manually?

A. - Online